Jekyll Island, The Aldrich Plan, The Federal Reserve Act, The Federal Advisory Council excerpted from the book The Secrets of the Federal Reserve by Eustace Mullins

foreword
Eustace Mullins 1983

In 1950 [I] began efforts to market this manuscript in New York. Eighteen publishers turned it down without comment, but the nineteenth, Devin Garrity, president of Devin Adair Publishing Company, gave me some friendly advice in his office. "I like your book, but we can't print it," he told me. "Neither can anybody else in New York".

... After two years of fruitless submissions, the book was published in a small edition in 1952 by two of [Ezra] Pound's disciples, John Kasper and David Horton, using their private funds, under title 'Mullins on the Federal Reserve'.

My original book had traced and named the shadowy figures in the United States who planned the Federal Reserve Act. I now discovered that the men whom I exposed in 1952 as the shadowy figures behind the operation of the Federal Reserve System were themselves shadows, the American fronts for the unknown figures who became know as the 'London Connection'. I found that notwithstanding our successes in the Wars of Independence and 1812 against England, we remained an economic and financial colony of Great Britain.

p3
The Jekyll Island Club was chosen as the place to draft the plan for control of the money and credit of the people of the United States... The New York Times later noted, on May 3, 1931, in commenting on the death of George F. Baker, one of J.P. Morgan's closest associates, that "Jekyll Island Club has lost one of its most distinguished members. One-sixth of the total wealth of the world was represented by the members of the Jekyll Island Club."

p4
The [Senator Nelson] Aldrich group journeyed [to Jekyll Island] in private to write the banking and currency legislation which the National Monetary Commission had been ordered to prepare in public. At stake was the future control of the money and credit of the United States. If any genuine monetary reform had been prepared and presented to Congress, it would have ended the power of the elitist one world money creators. Jekyll Island ensured that a central bank would be established in the United States which would give these bankers everything they had always wanted.

p5
The "monetary reform" plan prepared at Jekyll Island was to be presented to Congress as the completed work of the National Monetary Commission. It was imperative that the real authors of the bill remain hidden. So great was popular resentment against bankers since the Panic of 1907 that no Congressman would dare to vote for a bill bearing the Wall Street taint, no matter who had contributed to his campaign expenses. The Jekyll Island plan was a central bank plan, and in this country there was a long tradition of struggle against inflicting a central bank on the American people. It had begun with Thomas Jefferson's fight against Alexander Hamilton's scheme for the First Bank of the United States, backed by James Rothschild. It had continued with President Andrew Jackson's successful war against Alexander Hamilton's scheme for the

Second Bank of the United States, in which Nicholas Biddle was acting as the agent for James Rothschild of Paris. The result of that struggle was the creation of the Independent Sub-Treasury System, which supposedly had served to keep the funds of the United States out of the hands of the financiers. A study of the panics of 1873, 1893, and 1907 indicates that" these panics were the result of the international bankers' operations in London. The public was demanding in 1908 that Congress enact legislation to prevent the recurrence of artificially induced money panics. Such monetary reform now seemed inevitable. It was to head off and control such reform that the National Monetary Commission had been set up with Nelson Aldrich at its head, since he was majority leader of the Senate.

The main problem as Paul Warburg informed his colleagues was to avoid the name "Central Bank". For that reason, he had decided upon the designation of "Federal Reserve System" This would deceive the people into thinking it was not a central bank. However, the Jekyll Island plan would be a central bank plan, fulfilling the main functions of a central bank; it would be owned by private individuals who would profit from ownership of shares. As a bank of issue, it would control the nation's money and credit.

p6
The proposed Federal Reserve Bank was to be "controlled by Congress' and answerable to the government, but the majority of the directors were to be chosen, "directly or indirectly" by the banks of the association ... the Federal Reserve Board of Governors would be appointed by the President of the United States, but the real work of the Board would be controlled by a Federal Advisory Council, meeting with the Governors. The Council would be chosen by the directors of the twelve Federal Reserve Banks, and would remain unknown to the public.

... the proposed Federal Reserve System would be dominated by the masters of the New York money market.

p6
The primary deception which would prevent the citizens from recognizing that his plan set up a central bank was the regional reserve system ... of four (later twelve) branch reserve banks located in different sections of the country... the existing concentration of the nation's money and credit structure in New York made the proposal of a regional reserve system a delusion.

p6
The administrators of the proposed central banks should be subject to executive approval by the President. This patent removal of the system from Congressional control meant that the Federal Reserve proposal was unconstitutional from its inception because the Federal Reserve System was to be a bank of issue. Article 1, Sec. 8 Par. 5 of the Constitution expressly charges Congress with "the power to coin money and regulate the value thereof". Warburg's plan would deprive Congress of its sovereignty, and the systems of checks and balances of power set up by Thomas Jefferson in the Constitution would now be destroyed. Administrators of the proposed system would control the nation's money and credit, and would themselves be approved by the executive department of the government.

p11
Congressman Charles A. Lindbergh, Sr., testifying before the House of Representatives Committee on Rules, December 15, 1911

Our financial system is a false one and a huge burden on the people ... I have alleged that there is a Money Trust. The Aldrich plan is a scheme plainly in the interest of the Trust.

p11
Congressman Charles A. Lindbergh, Sr., testifying before the House of Representatives Committee on Rules, December 15, 1911

The Aldrich Plan is the Wall Street Plan. It is a broad challenge to the Government by the champion of the Money Trust. It means another / panic, if necessary, to intimidate the people. Aldrich, paid by the Government to represent the people, proposes a plan for the trusts instead. It was by a very clever move that the National Monetary Commission was created... Most Senators and Representatives fell into the Wall Street trap and passed the Aldrich-Vreeland Emergency Currency Bill. But the real purpose was to get a monetary commission which would frame a proposition for amendments to our currency and banking laws which would suit the Money Trust... Wall Street speculation brought on the Panic of 1907. The depositors' funds were loaned to gamblers and anybody the Money Trust wanted to favour. Then when the depositors wanted their money, the banks did not have it. That made the panic.

p15
A central bank attains a commanding position from its government granted monopoly of the note issue. This is the key to its power. Also, the act of establishing a central bank has a direct inflationary impact because of the fractional reserve system, which allows the creation of book-entry loans and thereby, money, a number of times the actual "money" which the bank has in its deposits or reserves.

p16
Congressman Charles A. Lindbergh, Sr.

Our financial system is a false one and a huge burden on the people... This [Federal Reserve] Act establishes the most gigantic trust on earth.

p18
The Presidential campaign of 1912 records one of the more interesting political upsets in American history. The incumbent, William Howard Taft, was a popular president, and the Republicans, in a period of general prosperity, were firmly in control of the government through a Republican majority in both houses. The Democratic challenger, Woodrow Wilson, Governor of New jersey, had no national recognition, and was a stiff, austere man who excited little public support. Both parties included a monetary reform bill in their platforms: The Republicans were committed to the Aldrich Plan, which had been denounced as a Wall Street plan, and the Democrats had the Federal Reserve Act. Neither party bothered to inform the public that the bills were almost identical except for the names. In retrospect, it seems obvious that the money creators decided to dump Taft and go with Wilson. How do we know this? Taft seemed certain of reelection, and Wilson would return to obscurity. Suddenly, Theodore Roosevelt "threw his hat into the ring' He announced that he was running as a third party candidate, the "Bull Moose". His candidacy would have been ludicrous had it not been for the fact that he was exceptionally well-financed. Moreover, he was given unlimited press coverage, more than Taft and Wilson combined. As a Republican ex-president, it was obvious that Roosevelt would cut deeply into Taft's vote. This proved the case, and Wilson won the election. To this day, no one can say what Theodore Roosevelt's program was, or why he would sabotage his own party. Since the bankers were financing all three candidates, they would win regardless of the outcome. Later Congressional testimony showed that the firm of Kuhn Loeb Company, Felix

Warburg was supporting Taft, Paul Warburg and Jacob Schiff were supporting Wilson, and Otto Kahn was supporting Roosevelt. The result was that a Democratic Congress and a Democratic President were elected in 1912 to get the central bank legislation passed.

p27
George Sylvester Viereck in 'The Strangest Friendship in History: Woodrow Wilson and Col. House"

The Shiffs, the Warburgs, the Kahns, the Rockefellers, the Morgans put their faith in [Colonel Edward Mandell] House. When the Federal Reserve legislation at last assumed definite shape, House was the intermediary between the White House and the financiers.

p28
Congressman Charles A. Lindbergh, Sr. to the House of Representatives, December 22, 1913

This [Federal Reserve] Act establishes the most gigantic trust on earth. When the \I President signs this bill, the invisible government by the Monetary Power J) will be legalized. The people may not know it immediately, but the day 'o[reckoning is only a few years removed. The trusts will soon realize that J they have gone too far even for their own good. The people must make / a declaration of independence to relieve themselves from the Monetary (Power. This they will be able to do by taking control of Congress. Wall Streeters could not cheat us if you Senators and Representatives did not make a humbug of Congress .... If we had a people's Congress, there \ would be stability. The greatest crime of Congress is its currency system. while worst legislative crime of the ages is perpetrated by this banking bill. The caucus and the party bosses have again operated and prevented the people from getting the benefit of their own government?

p30
HW Loucks in the book 'The Great Conspiracy of the House of Morgan'

In the Federal Reserve Law, they [the financiers] have wrested from the people and secured for themselves the constitutional power to issue money and regulate the value thereof... The House of Morgan is now in supreme control of our industry, commerce and political affairs. They are in complete control of the policy making of the Democratic, Republican and Progressive parties.

p32
Ferdinand Lundberg in his book 'America's Sixty Families'

In practice, the Federal Reserve Bank of New York became the fountainhead of the system of twelve regional banks, for New York was the money market of the nation. The other eleven banks were so many expensive mausoleums erected to salve the local pride and quell the Jacksonian fears of the hinterland.

p34
The shareholders of [the] banks which own the stock of the Federal Reserve Bank of New York are the people who have controlled, our political and economic destinies since 1914. They are the Rothschild's, of Europe, Lazard Freres (Eugene Meyer), Israel Sieff, Kuhn Loeb Company, Warburg Company, Lehman Brothers, Goldman Sachs, the Rockefeller family, and the J.P. Morgan interests. These interests have merged and consolidated in recent years so that the control is much more concentrated.

... The "local" families [in the eleven Federal Reserve Districts] set up regional councils, on orders from New York, of such groups as the Council on Foreign Relations, the Trilateral Commission, and other instruments of control devised by their masters.

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The House of Rothschild excerpted from the book The Secrets of the Federal Reserve by Eustace Mullins Bankers Research Institute, 1983, paperback (originally published in 1952 as "Mullins on the Federal Reserve")

p47
The success of the Federal Reserve Conspiracy will raise many questions in the minds of readers who are unfamiliar with the history of the United States and finance capital. How could the Kuhn, Loeb-Morgan alliance, powerful though it might be, believe that it would be capable, first, of devising a plan which would bring the entire money and credit of the people of the United States into their hands, and second, of getting such a plan enacted into law?

The capability of devising and enacting the "National Reserve Plan", as the immediate result of the Jekyll Island expedition was called, was easily within the powers of the Kuhn, Loeb-Morgan alliance, according to the following from McClure's Magazine, August 1911, "The Seven Men" by John Moody:

Seven men in Wall Street now control a great share of the fundamental industry and resources of the United States. Three of the seven men, J.P. Morgan, James J. Hill, and George E Baker, head of the First National Bank of New York belong to the so-called Morgan group; four of them, John D. and William Rockefeller, James Stiliman, head of the National City Bank, and Jacob H. Schiff of the private banking firm of Kuhn, Loeb Company, to the so-called Standard Oil City Bank group... the central machine of capital extends its control over the United States... the process is not only economically logical; it is now practically automatic.

Thus we see that the 1910 plot to seize control of the money and credit of the people of the United States was planned by men who already controlled most of the country's resources.

... the most powerful men in the United States were themselves answerable to another power, a foreign power, and a power which had been steadfastly seeking to extend its control over the young republic of the United States since its very inception. This power was the financial power of England, centered in the London Branch of the House of Rothschild. The fact was that in 1910, the United States was for all practical purposes being ruled from England, and so it is today [1911]. The ten largest bank holding companies in the United States are firmly in the hands of certain banking houses, all of which have branches in London. They are J.P. Morgan Company, Brown Brothers Harriman, Warburg, Kuhn, Loeb and J. Henry Schroder. All of them maintain close relationships with the House of Rothschild, principally through the Rothschild control of international money markets through its manipulation of the price of gold. Each day, the world price of gold is set in the London office of N.M. Rothschild and Company. Although these firms are ostensibly American firms, which merely maintain branches in London, the fact that these banking houses actually take their direction from London.

p48
The slave for centuries had its headquarters in Venice, until Seventeenth Century Britain, the new master of the seas, used its control of the oceans to gain a monopoly. As the American colonies were settled, its fiercely independent people, most of whom did not want slaves, found to their surprise that slaves were being sent to our ports in great numbers.

... The pre-eminence of J.P. Morgan and the Brown firm in American finance can be dated to the

development of Baltimore as the nineteenth century capital of the slave trade. Both of these firms originated in Baltimore, opened branches in London, came under the aegis of the House of Rothschild and returned to the United States to open branches in New York and to become the dominant power, not only in finance, but also in government.

... To understand why these firms operate as they do, it is necessary to give a brief history of their origins. Few Americans know that J.P. Morgan Company began as George Peabody and Company... The behind the scenes power wielded by this firm is indicated by the fact that Sir Montagu Norman, Governor of the Bank of England for many years, was a partner of Brown, Shipley and Company. Considered the single most influential banker in the world, Sir Montagu Norman was organizer of "informal talks" between heads of central banks in 1927, which led directly to the Great Stockmarket Crash of 1929.

... Soon after he arrived in London, George Peabody was surprised to be summoned to an audience with the gruff Baron Nathan Mayer Rothschild. Without mincing words, Rothschild revealed to Peabody, that much of the London aristocracy openly disliked Rothschild and refused his invitations. He proposed that Peabody, a man of modest means, be established as a lavish host whose entertainments would soon be the talk of London. Rothschild would, of course, pay all the bills. Peabody accepted the offer, and soon became known as the most popular host in London.

... It is hardly surprising that the most popular host in London would also become a very successful businessman, particularly with the House of Rothschild supporting him behind the scenes. Peabody often operated a capital of 500,000 pounds on hand, and became very astute in his buying and selling on both sides of the Atlantic. His American agent was the Boston firm of Beebe, Morgan and Company, headed by Junius S. Morgan, father of John Pierpont Morgan. Peabody, who never married, had no one succeed him, and he was favorably impressed by the tall, handsome Junius Morgan. He persuaded Morgan to join him in London as a partner in George Peabody and Company in 1854.

p50
Although Nicholas Biddle was President of the Bank of the United I States, it was well known that Baron James de Rothschild of Paris was the principal investor in this central bank. Although Jackson had vetoed the renewal of the charter of the Bank of the United States, he probably was unaware that a few months earlier, in 1835, the House of Rothschild had cemented a relationship with the United States Government by superseding the firm of Baring as financial agent of the Department of State on January 1, 1835.

Henry Clews, the famous banker, in his book, Twenty-Eight Years in Wall Street, states that the Panic of 1837 was engineered because the charter of the Second Bank of the United States had run out in 1836. Not only did President Jackson promptly withdraw government funds from the Second Bank of the United States, but he deposited these funds, $10 million, in state banks. The immediate result, Clews tell us, is that the country began to enjoy great prosperity. This sudden flow of cash caused an immediate expansion of the national economy, and the government paid off the entire national debt, leaving a surplus of $50 million in the Treasury.

The European financiers had the answer to this situation. Clews further states, "The Panic of 1837 was aggravated by the Bank of England when it in one day threw out all the paper connected with the United States."

The Bank of England, of course, was synonymous with the name of Baron Nathan Mayer

Rothschild. Why did the Bank of England in one day "throw out" all paper connected with the United States, that is, refuse to accept or discount any securities, bonds or other financial paper based in the United States? The purpose of this action was to create an immediate financial panic in the United States, cause a complete contraction of credit, halt further issues of stocks and bonds, and ruin those seeking to turn United States securities into cash.

... George Peabody found that he had chosen well in selecting Junius S. Morgan as his successor. Morgan agreed to continue the sub rosa relationship with N.M. Rothschild Company, and soon expanded the firm's activities by shipping large quantities of railroad iron to the United States. It was Peabody iron which was e foundation for much of American railroad tracks from 1860 to 1890. In 1864, content to retire and leave his firm in the hands of Morgan, Pierpont allowed the name to be changed to Junius S. Morgan Company. The Morgan firm then and since has always been directed from London. John Pierpont Morgan spent much of his time at his magnificent London mansion, Prince's Gate.

One of the high water marks of the successful Rothschild-Peabody-Morgan business venture was the Panic of 1857.

...After the panic had been engineered, one firm came into the market with one million pounds in cash, purchased securities from distressed investors at panic prices, and later resold them at an enormous profit. That firm was the Morgan firm, and behind it was the clever maneuvering of Baron Nathan Mayer Rothschild.

p53
Lyndon LaRouche tells us that on February 5, 1891, a secret association known as the Round Table Group was formed in London by Cecil Rhodes, his banker, Lord Rothschild, the Rothschild in-law, Lord Rosebery, and Lord Curzon. He states that in the United States the Round Table was represented by the Morgan group. Dr. Carroll Quigley refers to this group as "The British-American Secret Society" in Tragedy and Hope, stating that "The chief backbone of this organization grew up along the already existing financial cooperation running from the Morgan Bank in New York to a group of international financiers in London led by Lazard Brothers (in 1901)."

William Guy Carr, in Pawns In The Game states that, "In 1899, J.P. Morgan and Drexel went to England to attend the International Bankers Convention. When they returned, J.P. Morgan had been appointed head representative of the Rothschild interests in the United States. As the result of the London Conference, J.P. Morgan and Company of New York, Drexel and Company of Philadelphia, Grenfell and Company of London, and Morgan Harjes Cie of Paris, M.M. Warburg Company of Germany and America, and the House of Rothschild were all affiliated."

p54
After World War I, the Round Table became known as the Council on Foreign Relations in the United States, and the Royal Institute of International Affairs in London. The leading government officials of both England and the United States were chosen from its members. In the 1960s, as growing attention centered on the surreptitious governmental activities of the Council on Foreign Relations, subsidiary groups, known as the Trilateral Commission and the Bilderbergers, representing the identical financial interests, began operations...

p55
According to William Guy Carr, in Pawns In The Game," the initial meeting of these ex officio planners took place in Mayer Amschel Bauer's Goldsmith Shop in Frankfurt in 1773. Bauer, who

adopted-the name of "Rothschild" or Red Shield, from the red shield which he hung over his door to advertise his business ... was only thirty years of age when he invited twelve other wealthy and influential men to meet him in Frankfurt. His purpose was to convince them that if they agreed to pool their resources they could then finance and control the World Revolutionary Movement and use it as their Manual of Action to win ultimate control of the wealth, natural resources, and manpower of the entire world. This agreement reached, Mayer unfolded his revolutionary plan. The project would be backed by all the power that could be purchased with their pooled resources. By clever manipulation of their combined wealth it would be possible to create such adverse economic conditions that the masses would be reduced to a state bordering on starvation by unemployment... Their paid propagandists would arouse feelings of hatred and revenge against the ruling classes by exposing all real and alleged cases of extravagance, licentious conduct, injustice, oppression, and persecution. They would also invent infamies to bring into disrepute others who might, if left alone, interfere with their overall plans... Rothschild turned to a manuscript and proceeded to read a carefully prepared plan of action. 1. He argued that LAW was FORCE only in disguise. He reasoned it was logical to conclude 'By the laws of nature right lies in force: 2. Political freedom is an idea, not a fact. In order to usurp political power all that was necessary was to preach 'Liberalism' so that the electorate, for the sake of an idea, would yield some of their power and prerogatives which the plotters could then gather into their own hands. 3. The speaker asserted that the Power of Gold had usurped the power of Liberal rulers .... He pointed out that it was immaterial to the success of his plan whether the established governments were destroyed by external or internal foes because the victor had to of necessity ask the aid of 'Capital' which 'Is entirely in our hands' 4. He argued that the use of any and all means to reach their final goal was justified on the grounds that the ruler who governed by the moral code was not a skilled politician because he left himself vulnerable and in an unstable position. 5. He asserted that 'Our right lies in force. The word RIGHT is an abstract thought and proves nothing. I find a new RIGHT... to attack by the Right of the Strong, to reconstruct all existing institutions, and to become the sovereign Lord of all those who left to us the Rights to their powers by laying them down to us in their liberalism. 6. The power of our resources must remain invisible until the very moment when it has gained such strength that no cunning or force can undermine it. He went on to outline twenty-five points. Number 8 dealt with the use of alcoholic liquors, drugs, moral corruption, and all vice to systematically corrupt youth of all nations. 9. They had the right to seize property by any means, and without hesitation, if by doing so they secured submission and sovereignty. 10. We were the first to put the slogans Liberty, Equality, and Fraternity into the mouths of the masses, which set up a new aristocracy. The qualification for this aristocracy is WEALTH which is dependent on us. 11. Wars should be directed so that the nations engaged on both sides should be further in our debt. 12. Candidates for public office should be servile and obedient to our commands, so that they may readily be used. 13. Propaganda-their combined wealth would control all outlets of public information. 14. Panics and financial depressions would ultimately result in World Government, a new order of one world government."

p56
E.C. Knuth writes, in The Empire of the City

The fact that the House of Rothschild made its money in the great crashes of history and the great wars of history, the very periods when others lost their money, is beyond question.

p59
Because of his success in his speculations, Baron Nathan Mayer Rothschild, as he now called

himself, reigned as the supreme financial power in London. He arrogantly exclaimed, during a party in his mansion, "I care not what puppet is placed upon the throne of England to rule the Empire on which the sun never sets. The man that controls Britain's money supply controls the British Empire, and I control the British money supply."

His brother James in Paris had also achieved dominance in French finance. In Baron Edmond de Rothschild, David Druck writes, "(James) Rothschild's wealth had reached the 600 million mark. Only one man in France possessed more. That was the King, whose wealth was 800 million. The aggregate wealth of all the bankers in France was 150 million less than that of James Rothschild. This naturally gave him untold powers, even to the extent of unseating governments whenever he chose to do so...

p60
The Rothschilds bought control of Reuters International News Agency, based in London, Havas of France, and Wolf in Germany, which controlled the dissemination of all news in Europe.

In "Inside Europe", John Gunther wrote in 1936 that any French prime minister, at the end of 1935, was a creature of the financial oligarchy, and that this financial oligarchy was dominated by twelve regents, of whom six were bankers, and were headed by Baron Edmond de Rothschild.

p63
Benjamin Disraeli, Prime Minister of England during Queen Victoria' reign

The world is governed by very different personages from what is imagined by those who are not behind the scenes.

p63
Because of England's loss of her colonial empire after the Second World War, it seemed that her influence as a world political power was waning. Essentially, this was true. The England of 1980 is not the England of 1880. She no longer rules the waves; she is a second rate, perhaps thud rate, military power, but paradoxically, as her political and military power waned, her financial power grew. In 'Capital City' we find, "On almost any measure you care to take, London is the world's leading financial centre... In the 1960s London dominance increased..."

A partial explanation of this fact is given:

Daniel Davison, head of London's Morgan Grenfell, said, 'The American banks have brought the necessary money, customers, capital and skills which have established London in its present preeminence .... only the American banks have a lender of last resort. The Federal Reserve Board of the United States can, and does, create dollars when necessary. Without the Americans, the big dollar deals cannot be put together. Without them, London would not be credible as an international financial centre.'

p64
London is the world's financial center, because it can command enormous amounts of capital, created at its command by the Federal Reserve Board of the United States.

... The majority stock of the Federal Reserve Bank of New York was purchased by three New York City banks: First National Bank, National City Bank, and the National Bank of Commerce. An examination of the principal stockholders in these banks, in 1914, and today, reveals a direct London connection.

p67
The astounding idea that the Federal Reserve System of the United States is actually operated from London will probably be rejected at first hearing by most Americans. However, Minsky has become famous for his theory of the "dominant frame He states that in any particular situation, there is a "dominant frame" to which everything in that situation is related and through which it can be interpreted. The "dominant frame" in the monetary policy decisions of the Federal Reserve System is that these decisions are made by those who stand to benefit most from them. At first glance, this would seem to be the principal stockholders of the Federal Reserve Bank of New York. However ... these stockholders all have a "London Connection The "London Connection" becomes more obvious as the dominant power when we find in [the book] 'The Capital City', that only seventeen firms are allowed to operate as merchant bankers in the City of London, England's financial district. All of them must be approved by the Bank of England. In fact, most of the Governors of the Bank of England come from the partners of these seventeen firms... five merchant banking firms of London actually control the New York banks which own the controlling interest in the Federal Reserve Bank of New York.

... The London merchant bankers, with their power to set the price of gold each day, become the final arbiters of the volume of money and the price of money in those countries which must bow to their power. Not the least of these is the United States. No official of the Federal Reserve Bank of New York, or of the Federal Reserve Board of Governors, can command the power over the money of the world which is held by these London merchant bankers. Great Britain, while waning in political and military power, today exercises the greatest financial power. It is for this reason that London is the present financial center of the world.

p69
J. Henry Schroder Banking Company is listed as Number 2 in capitalization [in the book] 'Capital City' on the list of the seventeen merchant bankers who make up the exclusive Accepting Houses Committee in London.

p77
Victor Perlo, in the book The Empire of High Finance

The Hitler government made the London Schroder Bank their financial agent in Britain and America.

p80
The Heritage Foundation has ... been an important factor in the policy-making of the Reagan Administration... the Heritage Foundation is part of the Tavistock Institute network, directed by British Intelligence. The financial decisions are still made at the Bank of England, and who is head of the Bank of England? Sir Gordon Richardson, chairman of J. Henry Schroder Co. of London and New York from 1962 to 1972, when he became Governor of the Bank of England. The "London Connection" has never been more firmly in the saddle of the United States Government.

p82
From 1887 to 1914, [a] precarious system of heavily armed but bankrupt European nations endured, while the United States continued to be a debtor nation, borrowing money from abroad, but making few international loan because we did not have a central bank or "mobilization of credit". The system of national loans developed by the Rothschilds served to finance European struggles during the nineteenth century, because they were spread out over Rothschild branches in several countries. By 1900, it was obvious that the European countries could not afford a major war. They had large standing armies, universal military service, and modern weapons, but their economies could not support the enormous expenditures. The Federal Reserve System began operations in 1914, forcing the American people to lend the Allies twenty-five billion dollars which was not repaid, although considerable interest was paid to New York bankers. The American people were driven to make war on the German people with whom we had no conceivable political or economic quarrel.

p84
Cordell Hull, in his Memoirs:

The conflict [World War I] forced the further development of the income-tax principle. Aiming, as it did, at the one great untaxed source of revenue, the income-tax law had been enacted in the nick of time to meet the demands of war. And the conflict also assisted the putting into effect of the Federal Reserve System, likewise in the nick of time.

p84
The [international] bankers had been waiting since 1887 for the United States to enact a central bank plan so that they could finance a European war among the nations whom they had already bankrupted with armament and "defense' programs. The most demanding function of the central bank mechanism is war finance.

p85
Woodrow Wilson

The World War[I] was a matter of economic rivalry?

p85

When the Communist Revolution seemed in doubt, Wilson sent his personal emissary, Elihu Root, to Russia with one hundred million dollars from his Special Emergency War Fund to save the toppling Bolshevik regime.

p90
Bernard Baruch, testifying before the Nye Committee on September 13, 1917

All wars are economic in their origin.

p94
[There is a] linear connection between the Rothschilds and the Bank of England, and the London banking houses which ultimately control the Federal Reserve Banks through their stockholdings of bank stock and their subsidiary firms in New York. The two principal Rothschild representatives in New York, J.P. Morgan Co. and Kuhn, Loeb & Co. were the firms which set up the Jekyll Island conference at which the Federal Reserve Act was drafted, who directed the subsequent successful campaign to have the plan enacted into law by Congress, and who purchased the controlling amounts of stock in the Federal Reserve Bank of New York in 1914. These firms had their principal officers appointed to the Federal Reserve Board of Governors and the Federal Advisory Council in 1914.

p99
The Henry Schroder Banking Company encompasses the entire history of the twentieth century... The head of the Bank of England since 1973, Sir Gordon Richardson, Governor of the Bank of England (controlled by the House of Rothschild), was chairman of Henry Schroder Wagg and Company of London from 1963-72, and director of Henry Schroder, New York, and Schroder Banking Corporation, New York, as well as Lloyd's Bank of London, and Rolls Royce. He maintains a residence on Sutton Place in New York City, arid as head of 'The London Connection' can be said to be the single most influential banker in the world.

p111
The bankers at the conference [Versailles Peace Conference ending World War I] convinced [President Woodrow] Wilson that they needed an international government to facilitate their international monetary operations. Vol. IV, p. 52, Intimate Papers of Cot. House quotes a message from Sir William Wiseman to Lord Reading, August 16, 1918, "The President has two main principles in view; there must he a League of Nations and it must be virile."

Wilson, who seems to have lived in a world of fantasy, was shocked when American citizens booed him during his campaign to have them sign over their hard won independence to what

appeared to many to be an international dictatorship. He promptly went into a depression, and retired to his bedroom. His wife immediately shut the White House doors against Col. House, and from September 25, 1919 to April 13, 1920, she ruled the United States with the aid of an intimate friend, her "military aide", Col. Rixey Smith. As everyone was shut out of their deliberations, no one ever knew which of the pair functioned as the President, and which was the Vice President.

The admirers of Woodrow Wilson were led for decades by Bernard Baruch, who stated that Woodrow Wilson was the greatest man he ever knew. Wilson's appointments to the Federal Reserve Board, and that body's responsibility for financing the First World War, as well as Wilson's handing over the United States to the immigrant triumvirate during the War, made him appear to he the most important single effector of ruin in American history.

It is no wonder that after his abortive trip to Europe, where he was hissed and jeered in the streets by the French people, and snickered at in the halls of Versailles by Orlando and Clemenceau, Woodrow Wilson returned home to take to his bed. The sight of the destruction and death in Europe, for which he was directly responsible, was perhaps more of a shock than he could bear.

p120
The organization of powerful trusts in Russia under the guise of Communism made possible the receipt of large amounts of financial and technical help from the United States. The Russian aristocracy had been wiped out because it was too inefficient to manage a modem industrial state. The international financiers provided funds for Lenin and Trotsky to overthrow the Czarist regime and keep Russia in the First World War. Peter Drucker, spokesman for the oligarchy in America, declared in an article in the Saturday Evening Post in 1948, that:

RUSSIA IS THE IDEAL OF THE MANAGED ECONOMY TOWARDS WHICH WE ARE MOVING:

... Admiral Kolchak, leader of the White Russian armies, was supported by the international bankers, who sent British and American troops to Siberia in order to have a pretext for printing Kolchak rubles

... The international gold dealings of the Federal Reserve System, its active support in helping the League of Nations to force all the nations of Europe and South America back on the gold standard for the benefit of international gold merchants like Eugene Meyer, Jr. and Albert Strauss, is best demonstrated by a classic incident, the sterling credit of 1925.

J.E. Darling wrote, in the English periodical, "Spectator' on January 10, 1925 that:

Obviously, it is of the first importance to the United States to induce England to resume the gold standard as early as possible. An American controlled Gold Standard, which must inevitably result in the United States becoming the world's supreme financial power, makes England a tributary and satellite, and New York the world's financial centre.

Mr. Darling fails to point out that the American people have as little to do with this as the British people, and at resumption of the gold standard by Britain would benefit only that small group of international merchants who own the world's gold. No wonder that "Banker's Magazine!' gleefully remarked in July, 1975-that:

"The outstanding event of the past half year in the banking world was the restoration of the

gold standard."

The First World War changed the status of the United States from that of a debtor nation to the position of the world's greatest creditor nation, a title formerly occupied by England. Since debt is money, according to the Governor Marriner Eccles of the Federal Reserve Board, this also made us the richest nation of the world. The war also caused the removal of the headquarters of the world's acceptance market from London to New York, and Paul Warburg became the most powerful trade acceptance banker in the world. The mainstay of the international financiers, however, remained the same. The gold standard was still the basis of foreign exchange, and the small group of internationals who owned the gold controlled the monetary systems of the Western nations.

Professor Gustav Cassel wrote in 1928:

"The American dollar, not the gold standard, is the world's monetary standard. The American Federal Reserve Board has the power to determine the purchasing power of the dollar by making changes in the rate of discount, and thus controls the monetary standard of the world."

p124
The true allegiance of the members of the Federal Reserve Board has always been to the central bankers. The three features of the central bank [are] its ownership by private stockholders who receive rent and profit for their use of the nation's credit, absolute control of the nation's financial resources, and mobilization of the nation's credit to finance foreigners.

p126
Governor Marriner Eccles of the Federal Reserve Board stated before the House Banking and Currency Committee that; "Debt is the basis for the creation of money."

p143
The League of Nations had achieved its goal of getting the nations of Europe back on the gold standard by 1928, but three-fourths of the world's gold was in France and the United States. The problem was how to get that gold to countries which needed it as a basis for money and credit. The answer was action by the Federal Reserve System.

Following the secret meeting of the Federal Reserve Board and the heads of the foreign central banks in 1927, the Federal Reserve Banks in a few months doubled their holdings of Government securities and acceptances, which resulted in the exportation of five hundred million dollars in gold in that year. The System's market activities forced the rates of call money down on the Stock Exchange, and forced gold out of the country. Foreigners also took this opportunity to purchase heavily in Government securities because of the low call money rate.

"The agreement between the Bank of England and the Washington Federal Reserve authorities many months ago was that we would force the export of 725 million of gold by reducing the bank rates here, thus helping the stabilization of France and Europe and putting France on a gold basis."' (April 20, 1928)

On February 6, 1929, Mr. Montagu Norman, Governor of the Bank of England, came to Washington and had a conference with Andrew Mellon, Secretary of the Treasury. Immediately after that mysterious visit, the Federal Reserve Board abruptly changed its policy and pursued a high discount rate policy, abandoning the cheap money policy which it had inaugurated in 1927 after Mr. Norman's other visit. The stock market crash and the deflation of the American

people's financial structure was scheduled to take place in March. To get the ball rolling, Paul Warburg gave the official warning to the traders to get out of the market. In his annual report to the stockholders of his International Acceptance Bank, in March, 1929, Mr. Warburg said:

"If the orgies of unrestrained speculation are permitted to spread, the ultimate collapse is certain not only to affect the speculators themselves, but to bring about a general depression involving the entire country".

During three years of "unrestrained speculation", Mr. Warburg had not seen fit to make any remarks about the condition of the Stock Exchange. A friendly organ, The New York Times, not only gave the report two columns on its editorial page, but editorially commented on the wisdom and profundity of Mr. Warburg's observations. Mr. Warburg's concern was genuine, for the stock market bubble had gone much farther than it had been intended to go, and the bankers feared the consequences if the people realized what was going on. When this report in The New York Times started a sudden wave of selling on the Exchange, the bankers grew panicky, and it was decided to ease the market somewhat. Accordingly, Warburg's National City Bank rushed twenty-five million dollars in cash to the call money market, and postponed the day of the crash.

The revelation of the Federal Reserve Board's final decision to trigger he Crash of l929, appears, amazingly enough, in The New York Times. On April 20, 1929, the Times headlined, "Federal Advisory Council Mystery Meeting in Washington. Resolutions were adopted by the council and transmitted to the board, but their purpose was closely guarded. An atmosphere of deep mystery was thrown about the proceedings both by the board and the council. Every effort was made to guard the proceedings of this extraordinary session. Evasive replies were given to newspaper correspondents."

Only the innermost council of "The London Connection" knew that it had been decided at this "mystery meeting" to ring down the curtain / on the greatest speculative boom in American history. Those in the know began to sell off all speculative stocks and put their money in government (bonds. Those who were not privy to this secret information, and they / included some of the wealthiest men in America, continued to hold their speculative stocks and lost everything they had.

In "FDR, My Exploited Father-in-Law", Col. Curtis B. Dall, who was a broker on Wall Street at that time, writes of the Crash, "Actually it was the calculated 'shearing' of the public by the World Money-Powers, triggered by the planned sudden shortage of the supply of call money in the New York money market." Overnight, the Federal Reserve System had raised the call rate to twenty percent. Unable to meet this rate, the speculators' only alternative was to jump out of windows.

The New York Federal Reserve Bank rate, which dictated the national interest rate, went to six percent on November 1, 1929. After the investors had been bankrupted, it dropped to one and one-half percent on May 8, 1931. Congressman Wright Patman in "A Primer On Money", says that the money supply decreased by eight billion dollars from 1929 to 1933, causing 11,630 banks of the total of 26, 401 in the United States to go bankrupt and close their doors.

The Federal Reserve Board had already warned the stockholders of the Federal Reserve Banks to get out of the Market, on February 6, 1929, but it had not bothered to say anything to the rest of the people. Nobody knew what was going on except the Wall Street bankers who were running the show.

p146

Not only was the Federal Reserve System responsible for the First World War, which it made possible by enabling the United States to finance the Allies, but its policies brought on the world-wide depression of 1929-31. Governor Adolph C. Miller stated at the Senate Investigation of the Federal Reserve Board in 1931 that:

"If we had had no Federal Reserve System, I do not think we would have had as bad a speculative situation as we had, to begin with."

Carter Glass replied, "You have made it clear that the Federal Reserve Board provided a terrific credit expansion by these open market transactions."

Emmanuel Goldenweiser said, "In 1928-29 the Federal Board was engaged in an attempt to restrain the rapid increase in security loans and in stock market speculation. The continuity of this policy of restraint, however, was interrupted by reductions in bill rates in the autumn of 1928 and the summer of 1929".

Both J. P Morgan and Kuhn, Loeb Co. had "preferred lists" of men whom they sent advance announcements of profitable stocks... The men on these lists were fellow bankers, prominent industrialists, powerful city politicians, national Committeemen of the Republican and Democratic Parties, and rulers of foreign countries. The men on these lists were notified of the coming crash, and sold all but so-called gilt-edged stocks, General Motors, Dupont, etc. The prices on these stocks also sank to record lows, but they came up soon afterwards. How the big bankers operated in 1929 is revealed by a Newsweek story on May 30, 1936, when a Roosevelt appointee, Ralph W. Morrison, resigned from the Federal Reserve Board:

"The consensus of opinion is that the Federal Reserve Board has lost an able man. He sold his Texas utilities stock to Insull for ten million dollars, and in 1929 called a meeting and ordered his banks to close out all security loans by September 1. As a result, they rode through the depression with flying colors?'

Predictably enough, all of the big bankers rode through the depression "with flying colors:' The people who suffered were the workers and farmers who had invested their money in get-rich stocks, after the President of the United States, Calvin Coolidge, and the Secretary of the Treasury, Andrew Mellon, had persuaded them to do it.

There had been some warnings of the approaching crash in England, which American newspapers never saw. The London Statist on May 25, 1929 said:

"The banking authorities in the United States apparently want a business panic to curb speculation".

The London Economist on May 11, 1929, said:

"The events of the past year have seen the beginnings of a new technique, which, if maintained and developed, may succeed in 'rationing the speculator without injuring the trader".

Governor Charles S. Hamlin quoted this statement at the Senate hearings in 1931 and said, in corroboration of it:

"That was the feeling of certain members of the Board, to remove Federal Reserve credit from the speculator without injuring the trader".

Governor Hamlin did not bother to point out that the "speculators" he was out to break were the school-teachers and small town merchants who had put their savings into the stock market, or that the "traders" he was trying to protect were the big Wall Street operators, Bernard Baruch and Paul Warburg.

When the Federal Reserve Bank of New York raised its rate to six percent on August 9, 1929, market conditions began which culminated in tremendous selling orders from October 24 into November, which wiped out a hundred and sixty billion dollars worth of security values. That was a hundred and sixty billions which the American citizens had one month and did not have the next. Some idea of the calamity may be had if we remember that our enormous outlay of money and goods in the Second World War amounted to not much more than two hundred billions of dollars, and a great deal of that remained as negotiable securities in the national debt. The stock market crash is the greatest misfortune which the United States has ever suffered.

p148
What had caused the [1929] crash? The people had purchased stocks at high prices and expected the prices to continue to rise. The prices had to come down, and they did. It was obvious to the economists and bankers gathered over their brandy and cigars at the Hotel Astor that the people were at fault. Certainly the people had made a mistake in buying overpriced securities, but they had been talked into it by every leading citizen from the President of the United States on down. Every magazine of national circulation, every big newspaper, and every prominent banker, economist, and politician, had joined in the big confidence game of urging people to buy those over-priced securities. When the Federal Reserve Bank of New York raised its rate to six percent, in August 1929, people began to get out of the market, and it turned into a panic which drove the prices of securities down far below their natural levels. As in previous panics, this enabled both Wall Street and foreign operators in the know to pick up "blue-chip" gilt-edged" securities for a fraction of their real value.

p150
The New York Times reported on April 7, 1931, "Montagu Norman, Governor of the Bank of England, conferred with the Federal Reserve Board here today. Mellon, Meyer, and George L. Harrison, Governor o the Federal Reserve Bank of New York, were present".

The London Connection had sent Norman over this time to ensure that the Great Depression was proceeding according to schedule. Congressman Louis McFadden had complained, as reported in The New York Times, July 4, 1930, "Commodity prices are being reduced to 1913 levels. Wages are being reduced by the labor surplus of four million unemployed. The Morgan control of the Federal Reserve System is exercised through control of the Federal Reserve Bank of New York, the mediocre representation and acquiescence of the Federal Reserve Board in Washington?' As the depression deepened, the trust's lock on the American economy strengthened, but no finger was pointed at the parties who were trolling the system.

The 1930s, Congressional Expose, excerpted from the book The Secrets of the Federal Reserve by Eustace Mullins Bankers Research Institute, 1983, paperback (originally published in 1952 as "Mullins on the Federal Reserve")

p153
During this tragic period [the Depression], chairman Louis McFadden of the House Banking and Currency Committee continued his lone crusade against the "London Connection" which had wrecked the nation. On June 10, 1932, McFadden addressed the House of Representatives:

"Some people think the Federal Reserve banks are United States Government institutions. They are not government institutions. They are private credit monopolies which prey upon the people of the United States for the benefit of themselves and their foreign customers. The Federal Reserve banks are the agents of the foreign central banks. Henry Ford has said, 'The one aim of these financiers is world control by the creation of inextinguishable debts.' The truth is the Federal Reserve Board has usurped the Government of the United States by the arrogant credit monopoly which operates the Federal Reserve Board and the Federal Reserve Banks."

On January 13, 1932, McFadden had introduced a resolution indicting the Federal Reserve Board of Governors for "Criminal Conspiracy".

"Whereas I charge them, jointly and severally, with the crime of having treasonably conspired and acted against the peace and security of the United States and having treasonably conspired to destroy constitutional government in the United States. Resolved, that the Committee on the Judiciary is authorized and directed as a whole or by subcommittee to investigate the official conduct of the Federal Reserve Board and agents to determine whether, in the opinion of the said committee, they have been guilty of any high crime or misdemeanor which in the contemplation of the Constitution requires the interposition of the Constitutional powers of the House."

No action was taken on this Resolution. McFadden came back on December 13, 1932 with a motion to impeach President Herbert Hoover. Only five Congressmen stood with him on this, and the resolution failed. The Republican majority leader of the House remarked, "Louis T. McFadden is now politically dead."

On May 23, 1933, McFadden introduced House Resolution No. 158, Articles of Impeachment against the Secretary of the Treasury, two Assistant Secretaries of the Treasury, the Federal Reserve Board of Governors, and officers and directors of the Federal Reserve Banks for their guilt and collusion in causing the Great Depression. "I charge them with having unlawfully taken over 80 billion dollars from the United States Government in the year 1928, the said unlawful taking consisting of the unlawful recreation of claims against the United States Treasury to the extent of over 80 billion dollars in the year 1928, and in each year subsequent, and by having robbed the United States Government and the people of the United States by their theft and sale of the gold reserve of the United States."

The Resolution never reached the floor. A whispering campaign that McFadden was insane swept Washington, and in the next Congressional elections, he was overwhelmingly defeated by thousands of dollars poured into his home district of Canton, Pennsylvania.

p155

[Franklin] Roosevelt owed his political career to a fortuitous circumstance. As Assistant Secretary of the Navy during World War 1, because of old school ties, he had intervened to prevent prosecution of a large ring of homosexuals in the Navy which included several Groton and Harvard chums. This brought him to the favorable attention of a wealthy international homosexual set which travelled back and forth between New York and Paris, and which was presided over by Bessie Marbury, of a very old and prominent New York family. Bessie's "wife", who lived with her for a number of years, was Elsie de Wolfe, later Lady Mendell in a "manage de convenance' the arbiter of the international set. They recruited J.P. Morgan's youngest daughter, Anne Morgan, into their circle, and used her fortune to restore the Villa Trianon in Paris, which became their headquarters. During World War I, it was used as a hospital. Bessie Marbury expected to be awarded the Legion of Honor by the French Government as a reward, but J.P. Morgan, Jr., who despised her for corrupting his youngest sister, requested the French Government to withhold the award, which they did. Smarting from this rebuff, Bessie Marbury threw herself into politics, and became a power in the Democratic National Party. She had also recruited Eleanor Roosevelt into her circle, and, during a visit to Hyde Park, Eleanor confided that she was desperate to find something for "poor Franklin" to do, as he was confined to a wheelchair, and was very depressed.

"I know what well do," exclaimed Bessie. "We'll run him for Governor of New York!" Because of her power, she succeeded in this goal, and Roosevelt later became President.

p155

Franklin D. Roosevelt himself was an international banker of ill repute, having floated large issues of foreign bonds in this country in the 1920s. These bonds defaulted, and our citizens lost millions of dollars, but they still wanted Mr. Roosevelt as President. The New York Directory of Directors lists Mr. Roosevelt as President and Director of United European Investors, Ltd., in 1923 and 1924, which floated many millions of German marks in this country, all of which defaulted. Poor's Directory of Directors lists him as a director of The International Germanic Trust Company in 1928. Franklin D. Roosevelt was also an advisor to the Federal International Banking Corporation, an Anglo-American outfit dealing in foreign securities in the United States.

Roosevelt's law firm of Roosevelt and O'Connor during the 1920s represented many international corporations. His law partner, Basil O'Connor, was a director in the following corporations:

Cuban-American Manganese Corporation, Venezuela-Mexican Oil Corporation, Honduras Timber Corporation, Federal International Corporation, West Indies Sugar Corporation, American Reserve Insurance Corporation, Warm Springs Foundation. He was director in other corporations, and later head of the American Red Cross.

When Franklin D. Roosevelt took office as President of the United States, he appointed as Director of the Budget James Paul Warburg, son of Paul Warburg, and Vice President of the International Acceptance Bank and other corporations. Roosevelt appointed as Secretary of the Treasury W.H. Woodin, one of the biggest industrialists in the country, Director of the American Car and Foundry Company and numerous other locomotive works, Remington Arms, The Cuba Company, Consolidated Cuba Railroads, and other big corporations. Woodin was later replaced by Henry Morgenthau, Jr., son of the Harlem real estate operator who had helped put Woodrow Wilson in the White House. With such a crew as this, Roosevelt's promises of radical social

changes showed little likelihood of fulfillment. One of the first things he did was to declare a bankers' moratorium, to help the bankers get their records in order.

World's Work says:

"Congress has left Charles G. Dawes and Eugene Meyer, Jr. free to appraise, by their own methods, the security which prospective borrowers of the two billion dollar capital may offer".

Roosevelt also set up the Securities Exchange Commission, to see to it that no new faces got into the Wall Street gang...

p157
Senator Robert L. Owen, testifying before the House Committee on Banking and Currency in 1938 said:

"I wrote into the bill which was introduced by me in the Senate on June 26, 1913, a provision that the powers of the System should be employed to promote a stable price level, which meant a dollar of stable purchasing, debt-paying power. It was stricken out. The powerful money interests got control of the Federal Reserve Board through Mr. Paul Warburg, Mr. Albert Strauss, and Mr. Adolph C. Miller and they were able to have that secret meeting of May 18, 1920, and bring about a contraction of credit so violent it threw five million people out of employment. In 1920 that Reserve Board deliberately caused the Panic of 1921. The same people, unrestrained in the stock market, expanding credit to a great excess between 1926 and 1929, raised the price of stocks to a fantastic point where they could not possibly earn dividends, and when the people realized this, they tried to get out, resulting in the Crash of October 24, 1929".

Senator Owen did not go into the question of whether the Federal Reserve Board could be held responsible to the public. Actually, they cannot. They are public officials who are appointed by the President, but their salaries are paid by the private stockholders of the Federal Reserve Banks.

Governor W.P.G. Harding of the Federal Reserve Board testified in 1921 that:

"The Federal Reserve Bank is an institution owned by the stockholding member banks. The Government has not a dollar's worth of stock in it".

However, the Government does give the Federal Reserve System the use of its billions of dollars of credit, and this gives the Federal Reserve its characteristic of a central bank, the power to issue currency on the Government's credit. We do not have Federal Government notes or gold certificates as currency. We have Federal Reserve Bank notes, issued by the Federal Reserve Banks, and every dollar they print is a dollar in their pocket.

W. Randolph Burgess, of the Federal Reserve Bank of New York, stated before the Academy of Political Science in 1930 that:

"In its major principles of operation the Federal Reserve System is no different from other banks of issue, such as the Bank of England, the Bank of France, or the Reichsbank".

p159
The Banking Act of 1935 repealed the clause of the Glass-Steagall Banking Act of 1933, which

had provided that a banking house could not be on the Stock Exchange and also be involved in investment banking.

... When the provision that banks could not be involved in investment banking and operate on the Stock Exchange was repealed in 1935, Carter Glass, originator of that provision, was asked by reporters:

"Does that mean that J.P. Morgan can go back into investment banking?"

"Well, why not?" replied Senator Glass. "There has been an outcry all over the country that the banks will not make loans. Now the Morgans can go back to underwriting."

Because that provision was unfavorable to them, the bankers had simply clamped down on making loans until it was repealed.

p161
Senator Robert L Owen [at the Gold Reserve hearings of 1934]

"The people did not know the Federal Reserve Banks were organized for profit-making. They were intended to stabilize the credit and currency supply of the country. That end has not been accomplished... The Federal Reserve men are chosen by the big banks, through discreet little campaigns, and they naturally follow the ideals which are portrayed to them as the soundest from a financial point of view."

p162
Governor Marriner Eccles, before the House Banking and Currency Committee on June 24, 1941 said:

"Money is created out of the right to issue credit-money."

Turning over the Government's credit to private bankers in 1913 gave them unlimited opportunities to create money.

The Federal Reserve System could also destroy money in large quantities through open market operations. Eccles said, at the Silver Hearings of 1939:

p162
Governor Marriner Eccles, before the House Banking and Currency Committee on September 30, 1940

"If there were no debts in our money system, there would be no money."

p164
Governor Marriner Eccles testimony [before the House Banking and Currency Committee] exposed the heart of the money machine which Paul Warburg revealed to his incredulous fellow bankers at Jekyll Island in 1910. Most Americans comment that they cannot understand how the Federal Reserve System operates. It remains beyond understanding, not because it is complex, but because it is so simple. If a confidence man comes up to you and offers to demonstrate his marvelous money machine, you watch while he puts in a blank piece of paper, and cranks out a

$100 bill. That is the Federal Reserve System. You then offer to buy this marvelous money machine, but you cannot. It is owned by the private stockholders of the Federal Reserve Banks, whose identities can be traced partially, but not completely, to "the London Connection."

... the most incredible part of the Federal Reserve operation and one which is difficult for anyone to understand [is] how can any American citizen grasp the concept that there are people in this country who have the power to make an entry in a ledger that the government of the United States now owes them one billion dollars, and to collect the principal and interest on this "loan".

p164
Congressman Wright Patman about the Federal Reserve, in "The Primer of Money"

"The cash, in truth, does not exist and has never existed. What we call 'cash reserves' are simply bookkeeping credits entered upon ledgers of the Federal Reserve Banks. The credits are created by the Federal Reserve Banks and then passed along through the banking system."

p165
Congressman Wright Patman about the Federal Reserve, (Money Facts, House Banking and Currency Committee, 1964)

"The dollar represents a one dollar debt to the Federal Reserve System. The Federal Reserve Banks create money out of thin air to buy Government bonds from the United States Treasury, lending money into circulation at interest, by bookkeeping entries of checkbook credit to the United States Treasury. The Treasury writes up an interest bearing bond for one billion dollars. The Federal Reserve gives the Treasury a one billion dollar credit for the bond, and has created out of nothing a one billion dollar debt which the American people are obligated to pay with interest."

... "Where does the Federal Reserve system get the money with which to create Bank Reserves? Answer. It doesn't get the money, it creates it. When the Federal Reserve writes a check, it is creating money. The Federal Reserve is a total moneymaking machine. It can issue money or checks."

p166
Milton Friedman, Newsweek, May 2, 1983

"The Federal Reserve's major function is to determine the) money supply. It has the power to increase or decrease the money supply at any rate it chooses."

p167
Senate Document No 23, presented on January 24, 1939

"The Government should create, issue and circulate currency and credit needed to satisfy the spending power of the Government and the buying power of consumers. The privilege of creating and issuing money is not only the supreme prerogative of Government, but it is the Government's greatest creative opportunity."

p167
Governor Marriner Eccles at Hearings before the House Committee on Banking a Currency on June 24, 1941

"The banks create money when they make loans and investments."

p167
Governor Marriner Eccles at Hearings before the House Committee on Banking a Currency on June 24, 1941

"If there were no debts in our money system, there wouldn't be any money."

p168
Governor Marriner Eccles at Hearings before the House Committee on Banking a Currency on June 24, 1941

"[Monetization of the public debt [means the Federal Reserve] bank creating money by the purchase of Government securities. All money is created by debt-either private or public debt."

p168
Secretary of the Treasury Anderson, at the Hearings before the House Committee on Banking a Currency on June 24, 1941

"Banks are different from other lending institutions. When a savings association, an insurance company, or a credit union makes a loan, it lends the very dollar that its customers have previously paid in. But when a bank makes a loan, it simply adds to the borrower's deposit account in the bank by the amount of the loan. The money is not taken from anyone. It is new money, recreated by the bank, for the use of the borrower."

p171
a well-known economist about Paul Volker's appointment as chairman of the Federal Reserve Board of Governors

"Volcker's selection has been by far the worst. Carter has put Dracula in charge of the blood bank. To us, it means a crash and depression in the 80s is more certain than ever."

p172
Who was [Paul] Volcker, that his appointment could have such an effect on the stock market and the value of the dollar in foreign exchange? He represented the most powerful houses of "the London Connection:' Brown Brothers Harriman, and the London houses which directed the Rockefeller empire. On July 29, 1979, The Times had said of Volcker, "New Man Will Chart His Own Course".

Volcker's background shows that this was nonsense. His course has always been charted for him by his masters in London. He attended Princeton, obtained an M.A. at Harvard, and went to the London School of Economics 1951-52, the banker's graduate school. He then came to the Federal Reserve Bank of New York as an economist from 1952-57, economist at Chase Manhattan Bank, 1957-61, with Treasury Department 1961-65, as deputy under secretary for monetary affairs, 1963-65, and under secretary for monetary affairs, 1969-74. He then became President of the Federal Reserve Bank of New York from 1975-79, when Carter, at the behest of Robert Roosa and David Rockefeller, appointed him Chairman of the Federal Reserve Board of Governor. He was succeeded as President of Federal Reserve Bank of New York by Anthony Solomon...

... Behind Volcker and Solomon stands Robert Roosa, Secretary of the Treasury in Carter's

shadow cabinet, and representing Brown Brothers Harriman, the Trilateral Commission, the Council on Foreign Relations, the Bilderbergers, and the Royal Economic Institute. He is a trustee of the Rockefeller Foundation", and a director of Texaco and American Express companies. Dr. Martin Larson points out that "The international consortium of financiers known as the Bilderbergers, who meet annually in profound secrecy to determine the destiny of the western world, is a creature of the Rockefeller-Rothschild alliance... Larson also states that "The Rockefeller interests work in close alliance with the Rothschilds and other central banks."

p173

In reality, [Paul] Volker is more of a politician than an economist. After attending the London School of Economics, and finding out who issues the orders of the international financial community, Volcker has ever since played the game. Not once has he failed to carry out the orders of the "London Connection".

Can it really be possible that "The London Connection" exists, and that men like Volcker and Solomon receive their instructions, in however devious or indirect a manner, from foreign bankers.

p174
The direct line which leads from the participants in the Jekyll Island Conference of 1910 to the present day is illustrated by a passage from "A Primer on Money ", Committee on Banking and Currency, U.S. House of Representatives, 88th congress, 2nd session, August 5, 1964, p. 75

"The practical effect of requiring all purchases to be made through the open market is to take money from the taxpayer and give it to the dealers. It forces the Government to pay a toll for borrowing money. There are six 'bank' dealers: First National City Bank of New York; Chemical Corp. Exchange Bank, New York, Morgan Guaranty Trust Co., New York, Bankers Trust of New York, First National Bank of Chicago, and Continental Illinois Bank of Chicago."

Thus the banks which receive a "toll" on all money borrowed by the Government of the United States are the same banks which planned the Federal Reserve Act of 1913.

p175
What of "the London Connection"? Does it still exist, and is it still dictating the economic destiny of the United States? The Washington Post, May 19, 1983, carried a story datelined Nairobi, Kenya, noting the meeting of the African Development Bank. "The British merchant bank, Morgan Grenfell and a syndicate of the United States, Kuhn Loeb, Lehman Brothers International, the French Lazard Freres and Britain's Warburg are discreetly acting as financial advisors to about ten debt-plagued African states."

There are the same names we encountered in 1914, still managing the finances of the world, with profits for themselves but with disastrous results for everyone else.

p176
The Nation magazine, December 11, 1982, commenting on economic problems

"The blame for all this lies at the door of the Federal Reserve System working as usual on behalf of the international banking system."

p177

Federal Reserve Directors: A Study of Corporate and Banking Influence [from the House of Representatives Committee on Banking, Currency and Housing, August 1976 ... details public policy functions of the Federal Reserve District Banks, how directors are selected, who, is selected, the public relations lobbying factor, bank domination and bank examination, and corporate interlocks with Reserve banks.

in the Foreword to the study, Chairman Henry S. Reuss, (D-Wis) wrote:

"This Committee has observed for many years the influence of private interests over the essentially public responsibilities of the Federal Reserve System.

As the study makes clear, it is difficult to imagine a more narrowly-based board of directors for a public agency than has been gathered together for the twelve banks of the Federal Reserve System.

Only two segments of American society-banking and big business have any substantial representation on the boards, and often even these become merged through interlocking directorates...

... The big business and banking dominance of the Federal Reserve System cited in this report can be traced, in part, to the original Federal Reserve Act which gave member commercial banks the right to select two-thirds of the directors of each district bank. But the Board of Governors in Washington must share the responsibility for this imbalance. They appoint the so-called "public" members of the boards of each district bank, appointments which have largely reflected the same narrow interests of the bank-elected members... Until we have basic reforms, the Federal Reserve System will be handicapped in carrying out its public responsibilities as an economic stabilization and bank regulatory agency. The System's mandate is too essential to the nation's welfare to leave so much of the machinery under the control of narrow private interests. Concentration of economic and financial power in the United States has gone too far."

p178
The Federal Reserve directors are apparently representatives of a small elite group which dominates much of the economic life of his nation.

[Based on the congressional study "Federal Reserve Directors: A Study of Corporate and Banking Influence [from the House of Representatives Committee on Banking, Currency and Housing, August 1976" which details the public policy functions of the Federal Reserve District Banks, how directors are selected, who, is selected, the public relations lobbying factor, bank domination and bank examination, and corporate interlocks with Reserve banks.]

p183
The Federal Reserve "created" money is not used only for financial matters; this money is also used to maintain the bankers' control of every aspect of political, economic and social life. It is used to bankroll the enormous expenditures of political candidates, the swollen budgets of universities, the huge outlays required to start newspapers or magazines, and a vast array of foundations, "think-tanks" and other instruments of mind control.

p184
During World War II, the Tavistock Institute [of London] combined with the medical sciences division of the Rockefeller Foundation for esoteric experiments with mind-altering drugs. The

present drug culture of the United States is traced in its entirety to this Institute, which supervised the Central Intelligence Agency's training programs. The "LSD counter culture" originated when Sandoz A.G., a Swiss pharmaceutical house owned by S.C. Warburg & Co., developed a new drug from lycergic acid, called LSD. James Paul Warburg (son of Paul Warburg who had written the Federal Reserve Act in 1910), financed a subsidiary of the Tavistock Institute in the United States called the Institute for Policy Studies, whose director, Marcus Raskin, was appointed to the National Security Council James Paul Warburg set up a CIA program to experiment with LSD on CIA agents, some of whom later committed suicide. This program, MK-Ultra, supervised by Dr. Gottlieb, resulted in huge lawsuits against the United States Government by the families of the victims.

The Institute for Policy Studies set up a campus subsidiary, Students for Democratic Society (SDS), devoted to drugs and revolution. Rather than finance SDS himself, Warburg used CIA funds, some twenty million dollars, to promote the campus riots of the 1960s.

The English Tavistock Institute has not restricted its activities to leftwing groups, but has also directed the programs of such supposedly "conservative" American think tanks as the Herbert Hoover Institute at Stanford University, Heritage Foundation, Wharton, Hudson, Massachusetts Institute of Technology and Rand. The "sensitivity training" and "sexual encounter" programs of the most radical California groups such as Esalen Institute and its many imitators were all developed and implemented by Tavistock Institute psychologists.